

INFORMATION BULLETIN

WORKFORCE INVESTMENT ACT

Number: WIAB03-64

Date: March 12, 2004

Expiration Date: 6/30/05

69:128:jp:8093

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LWIA ADVISORY COMMITTEE CONFERENCE CALL MINUTES—
FEBRUARY 20, 2004

The minutes and revised agenda from the Local Workforce Investment Area (LWIA) Advisory Committee conference call on Friday, February 20, 2004, are attached for your review and information. Please ensure that the minutes are provided to the appropriate staff.

If you have any questions regarding the minutes, please contact James Scholl at (916) 657-4610.

/S/ BOB HERMSMEIER
Chief
Workforce Investment Division

Attachments

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL

Friday, February 20, 2004

Agenda

10:00 a.m. Welcome/Hot Topics

Bob Hermsmeier,
Workforce Investment
Division (WID)

California Workforce Investment Board (State
Board) Update

David Militzer, State
Board

Formula for Allocation of Dislocated Worker
Funds

Employment Development Department and Local
One-Stops

California Cooperative Occupational Information
System

Adjourn

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL MINUTES

Friday, February 20, 2004

Welcome/Agenda Building/Hot Topics—Bob Hermsmeier, Workforce Investment Division.

- **Data Validation**—The Department of Labor (DOL) mandates the State to validate data profiles in the Local Workforce Investment Areas (LWIA). There are 24 local areas targeted for on-site visits. The work plan that will determine when each LWIA will be visited is being finalized. The LWIAs will be notified early next week with instructions on how to prepare for the on-site visits. The targeted dates will occur principally in March and April; the work is to be completed by April 15.
- **Formula Allocation from DOL**—The DOL will be releasing the federal allotments, for State Fiscal Year (SFY) 2004-05, to the states in early March. On February 27, the Bureau of Labor Statistics will update their final data runs for the states to use for their substate allocations. The actual allocations will be released to the LWIAs in late March or early April.

Richard Holden, Chief of the Labor Market Information Division, indicated that Census 2000 data will be used to calculate Program Year 2004 within State allocations to the Local Workforce Investment Boards. (Note: The specific factors of the formula to which Richard was referring are the Disadvantaged Youth and Adult components. Official estimates of current labor force data use Census 1990 inputs according to methods mandated by the U.S. Bureau of Labor Statistics.)

- **Welfare-to-Work (WtW) Closeout**—The State has been notified by DOL that the WtW grant was terminated, effective January 23, 2004. On February 19, DOL provided a closeout package to the State with forms to be submitted once the closeout is completed. The State has 90 days from this date to close out the program. However, the Training and Employment Guidance Letter (TEGL) that gives the closeout instructions has yet to be released. There were 23 grantees and approximately \$9 million left unexpended as of January 1, 2004. Beginning January 24, 2004, the remaining WtW funds can only be spent on closeout costs.
- **National Emergency Grant (NEG) Guidelines**—The new NEG guidelines came out in [TEGL 16-03](#). The guidelines now allow, in certain circumstances, serving smaller layoffs, not just the larger layoffs. California has requested that DOL allow the recipients of the current Technology and Transportation NEG the ability to serve participants from smaller and/or more recent layoffs. The new guidelines also make it clear that where Trade Adjustment Assistance (TAA) is involved, we still can cover workers not covered by the TAA program. The fund utilization requirements have been changed. In the earlier guidelines they had a 70 percent requirement by halfway through the year, now it's 70 percent expenditure by the end of the year.

This includes expenditures for Individual Training Accounts. Looking at our expenditure rates this year; California will have no problem achieving the 70 percent expenditure rate by the end of this year.

- Federal Review of Workforce Investment Act (WIA)—The federal review team is coming in for the State level on-site reviews from March 1 through March 5. The review team will be conducting the local on-site reviews from March 4 through March 19. The LWIAs will be notified in advance as to when the review team will begin. The EDD is committed to working with the LWIAs to make the review process go as smooth as possible. There are eight areas to be reviewed, including youth and adult programs. Review Guides will be sent out to all the LWIAs as soon as possible. The State and LWIAs have closed almost 100 percent of findings generated from the DOL 2002 financial reviews.

California Workforce Investment Board (State Board) Update—David Militzer, State Board Office. The State Board staff are sending a background package of materials to the Labor and Workforce Development Agency which includes recommendations on how some of the governance issues could be addressed, how membership issues could be looked at, and how the State Board could be strengthened by stronger representation.

There has been reorganization of the State Board staff to better reflect some of the work the State Board is involved with.

- Dave Mar will continue to lead a team that is focused on the implementation of the WIA from federal/state policy down to local implementation.
- Kevin Woolfork is heading up the coordination of education and its linkages to economic development that is becoming more of a forefront issue within the State.
- David Illig is heading up our research efforts, an example being the WIA evaluation.
- Teresa Gonzales will continue to head up the administration unit.

The State Board has tentatively scheduled a full Board meeting in late April and staff are in the process of building the agenda. A finalized date for the meeting has not yet been decided but will be posted on the State Board Web site as soon as possible.

The next Regional Economies Forum is scheduled in Fresno on February 26 and will include a number of workforce areas. Three additional forums are being planned:

- April 2 in Sacramento (tentative date),
- Northern California on April 19 (tentative date), and
- Central coast region in late April or early May.

Formula for Allocation of Dislocated Worker Funds—David Militzer/Dave Mar, State Board. The 25 percent funds workgroup will reconvene in the very near future and will develop a recommended policy for release of WIA 25 percent Rapid Response and

Additional Assistance funds for State Fiscal Year (SFY) 2004-05. The State Board is in the process of contacting the previous members for their interest in continuing their participation on this workgroup.

With the formula allocation and the factors, Dave Mar stated that any changes to the formula would need to be put into a policy format, approved by the State Board, and put into the State plan for approval by DOL before the formula can be changed and utilized. It is too late to get all necessary approvals in time to affect next year allocations.

Bob Hermsmeier stated the workgroup would have to start very soon in order to adjust the SFY 2005-06 allocation formulae.

The EDD and Local One-Stops

There is concern among the LWIAs that EDD is pulling staff and financial resources, i.e., Wagner-Peyser funds, out of the One-Stops without any explanation, leaving the LWIAs with no funds to take care of expenses or to provide EDD services.

Phil Frieders, of the Job Service Division, stated that the issue is not the Wagner-Peyser grant from DOL. The shortfall is in the State supplement that EDD had received, and the Job Service Program is facing a budget reduction of at least \$13 million and perhaps as great as \$29 million. If the entire \$29 million is lost, then EDD will have to cut back approximately 25 percent of the expenditures in the field.

Concern was raised that EDD was not sharing plans or discussing ramifications with the other One-Stop partners, or with the LWIA administrators. There was also a concern that whatever cuts are made, they need to be equitable so that no one region has to take a disproportionate share of the cuts.

Bob Hermsmeier committed to determine what decisions have been made, and to work with EDD staff to share information as the Department proceeds to deal with the potential reductions.

California Cooperative Occupational Information System (CCOIS)

The LWIAs were wondering if there was an alternate proposal from the one mentioned on the last conference call. The advisory group asked if LMID would consider a counter proposal from the CWA membership. Richard Holden agreed to consider a proposal but cautioned that it was unlikely that any additional State funding could be made available.